GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:5659
ANSWERED ON:16.05.2007
SUPPLY OF EQUIPMENT TO BSNL
Bellarmin Shri A.V.;Ponnuswamy Shri Mohan

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government is allowing ITI to have 30% quota reserved for the supply of equipment to BSNL;

(b) if so, whether the U.S. Commerce Secretary has issued a letter in February objecting to the quota system;

(c) if so, the reasons therefor; and

(d) the reaction of the Government thereto?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) Yes, Sir.

(b) to (d) Yes, Sir. U.S. Commerce Secretary had issued a Letter on 13th February, 2006 objecting to the quota system on the grounds that it would not be in keeping with open and fair procurement practices. BSNL in view of various considerations have decided to continue with 30% quota reservation to ITI at the L1 prices, determined on the basis of open competition.